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Dirk Kempthorne, Governor Toni Hardesty, Director

August 16, 2005

Certified Mail No. 7005 0390 0003 2967 8137

Jim Miller, Environmental Coordinator Potlatch Corporation Clearwater Wood Products P.O. Box 1323 Lewiston, Idaho 83501-1323

RE:

Facility ID No. 069-00003, Potlatch Corporation, Clearwater Wood Products, Lewiston

Final Permit Letter

Dear Mr. Miller:

The Idaho Department of Environmental Quality (DEQ) is issuing Permit to Construct (PTC) Number P-050200 for the Potlatch Corporation, Clearwater Wood Products facility, in accordance with IDAPA 58.01.01.200 through 228 (Rules for the Control of Air Pollution in Idaho).

This permit is based on your permit application materials received on January 4, March 18, March 24, and April 1, 2005. This permit is effective immediately. This permit does not release the Potlatch Corporation, Clearwater Wood Products from compliance with all other applicable federal, state, or local laws, regulations, permits, or ordinances.

A representative of the Lewiston Regional Office will contact you regarding a meeting with DEQ to discuss the permit terms and requirements. DEQ recommends the following representatives attend the meeting: your facility's plant manager, responsible official, environmental contact, and any operations staff responsible for day-to-day compliance with permit conditions.

Pursuant to IDAPA 58.01.23, you, as well as any other entity, may have the right to appeal this final agency action within 35 days of the date of this decision. However, prior to filing a petition for a contested case, I encourage you to call Dan Pitman at (208) 373-0502 to address any questions or concerns you may have with the enclosed permit.

Sincerely,

) 2/ a. L. Macue. Martin Bauer, Administrator

Air Quality Division

MB/DM/sd

Permit No. P-050200

Enclosures



Air Quality PERMIT TO CONSTRUCT

State of Idaho **Department of Environmental Quality**

PERMIT No.: P-050200

FACILITY ID No.: 069-00003

AQCR:

11

CLASS: A

SIC:

2421

ZONE: 62

UTM COORDINATE (km): 418.5, 2890.0

1. PERMITTEE

Potlatch Corporation, Clearwater Wood Products

2. PROJECT

Lumber Drying Kilns Replacement Project

3. MAILING ADDRESS P.O. Box 1323	CITY Lewiston	STATE ID	ZIP 83501-1323
4. FACILITY CONTACT Jim Miller	TITLE Environmental Coordinator	TELEPHONE al Coordinator 208-799-1697	
5. RESPONSIBLE OFFICIAL Bill Highsmith TITLE Plant Manager		TELEPHONE 208-799-0123	
6. EXACT PLANT LOCATION 807 Mill Road, Lewiston, Idaho		COUNTY Nez Perce	

7. GENERAL NATURE OF BUSINESS & KINDS OF PRODUCTS Kiln-dried dimensional lumber and wood trim manufacturing, wood by-products

8. GENERAL CONDITIONS

This permit is issued according to IDAPA 58.01.01.200, Rules for the Control of Air Pollution in Idaho, and pertains only to emissions of air contaminants regulated by the state of Idaho and to the sources specifically allowed to be constructed or modified by this permit.

This permit (a) does not affect the title of the premises upon which the equipment is to be located; (b) does not release the permittee from any liability for any loss due to damage to person or property caused by, resulting from, or arising out of the design, installation, maintenance, or operation of the proposed equipment; (c) does not release the permittee from compliance with other applicable federal, state, tribal, or local laws, regulations, or ordinances; (d) in no manner implies or suggests that the Department of Environmental Quality (DEQ) or its officers, agents, or employees, assume any liability, directly or indirectly, for any loss due to damage to person or property caused by, resulting from, or arising out of design, installation, maintenance, or operation of the proposed equipment.

This permit is not transferable to another person, place, or piece or set of equipment. This permit will expire if construction has not begun within two years of its issue date or if construction is suspended for one year.

This permit has been granted on the basis of design information presented with its application. Changes of design or equipment may require DEO approval pursuant to the Rules for the Control of Air Pollution in Idaho, IDAPA 58.01.01.200, et seq.

TONI HA	RDESTY,	DIRECTOR	
DEPARTI	MENT OF	ENVIRONMENTAL O	DUALITY

DATE ISSUED:

August 16, 2005

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Acronyms, Units, and Chemical Nomenclature

acfm actual cubic feet per minute
AFS AIRS Facility Subsystem

AIRS Aerometric Information Retrieval System

AQCR Air Quality Control Region

CAA Clean Air Act

CFR Code of Federal Regulations

DEQ Department of Environmental Quality
EPA U.S. Environmental Protection Agency

IDAPA a numbering designation for all administrative rules in Idaho promulgated in accordance with

the Idaho Administrative Procedures Act

km kilometer

lb/hr pound per hour lb/yr pounds per year

m meter(s)

MACT Maximum Achievable Control Technology

Mbf thousand board feet

Mbf/yr thousand board feet per year
MMbf/yr million board feet per year
MMBtu million British thermal units

NESHAP Nation Emission Standards for Hazardous Air Pollutants

NSPS New Source Performance Standards

PM particulate matter

PM₁₀ particulate matter with an aerodynamic diameter less than or equal to a nominal 10

micrometers

PTC permit to construct
PTE potential to emit

SIC Standard Industrial Classification

SIP State Implementation Plan

T/yr tons per year

UTM Universal Transverse Mercator VOC volatile organic compound

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Permittee:	Potlatch Corporation Clearwater Wood Products	Facility ID No. 069-00003	Date Issued:	August 16, 2005	
Location:	Lewiston, Idaho				

1. PERMIT TO CONSTRUCT SCOPE

Purpose

- 1.1 The purpose of this permit is to:
 - allow the facility to construct four new lumber drying kilns to replace 32 existing kilns with an
 increase in potential annual drying capacity from 237.6 MMbf/yr to 351.0 MMbf/yr using the new
 more efficient kilns,
 - allow for the processing of the increased capacity of lumber drying in the existing sawmill and surfacing departments of the facility,
 - allow for concurrent operation of the 32 existing kilns and the 4 new kilns during a shakedown period of the new kilns, and
 - incorporate applicable requirements established by the Plywood and Composite Wood Products NESHAP.
- 1.2 This permit to construct (PTC) does not replace any other PTC.
- 1.3 The following is a chronological history of the permits issued at this facility which remain in effect:
 - Tier I operating permit No. T1-030203, issued July 18, 2003, and
 - Operating permit No. 1140-0001, issued August 22, 1984.

Regulated Sources

Table 1.1 lists all sources of regulated emissions in this PTC.

Table 1.1 SUMMARY OF REGULATED SOURCES

Permit Section	Source Description	Emissions Control(s)
2	31 Masonry Kilns (existing) - manufactured by Moore	None
2	1 Double-Track Kiln (existing) -manufactured by LSI	None
2	4 Double-Track Kilns (new) -manufactured by Wellons	None

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2. LUMBER DRYING KILNS

2.1 Process Description

The lumber drying kilns process green rough cut lumber of various wood species and dimensions by reducing the moisture content in the lumber. Process steam is supplied to Clearwater Wood Products by the Potlatch Corporation Pulp and Paper Division. The steam is supplied to heating coils within the kilns which transfer heat to the stacked lumber to drive off the desired amount of moisture. Fans inside the kilns circulate the heated air inside the kilns, and vents in the roof of each kiln are opened and closed to maintain the desired conditions within the kiln.

2.2 <u>Emissions Control Description</u>

The new Wellons kilns and existing Moore and LSI kilns are uncontrolled.

 Emissions Unit(s) / Process(es)
 Emissions Control Device
 Emissions Point

 Four Wellons Double-Track Kilns – New
 None
 20 vents—each kiln

 One LSI Double-Track Kiln -- Existing
 None
 18 vents

 31 Moore Single Track Kilns -- Existing
 None
 12 vents—each kiln

Table 2.1 LUMBER DRYING KILNS DESCRIPTION

Emissions Limits

2.3 Opacity Limit

Emissions from the drying kilns, or any other stack, vent, or functionally equivalent opening associated with the drying kilns, shall not exceed 20% opacity for a period or periods aggregating more than three minutes in any 60-minute period as required by IDAPA 58.01.01.625. Opacity shall be determined by the procedures contained in IDAPA 58.01.01.625, unless otherwise specified.

2.4 Toxic Air Pollutant Emission Limits

2.4.1 Acetaldehyde

Emissions of acetaldehyde shall not exceed 2,738 pounds per any consecutive 12-month period.

2.4.2 Formaldehyde

Emissions of formaldehyde shall not exceed 983 pounds per any consecutive 12-month period.

Operating Requirements

2.5 Throughput Limits

The throughput of lumber for the drying kilns shall not exceed 351,009 thousand board feet (Mbf) during any consecutive 12-month period.

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2.6 **Prohibited Wood Species**

The following wood species shall not be processed in the lumber drying kilns:

- · White pine,
- · Ponderosa pine,
- Southern yellow pine,
- · Red pine,
- Lodgepole pine, and
- Sugar pine.

2.7 <u>Concurrent Operation of New and Existing Kilns</u>

The duration of concurrent operation of the 32 existing Moore and LSI kilns and the four new Wellons kilns shall not exceed 180 days. The period of allowable concurrent operation commences on the date of initial startup of one or more of the Wellons kilns and terminates after 180 consecutive days following initial startup.

Monitoring and Recordkeeping Requirements

2.8 Throughput Monitoring and Recordkeeping

Each month, the permittee shall monitor and record the throughput and wood species of lumber for the drying kilns in units of thousand board feet (Mbf) for that month and for the most recent consecutive 12-month period.

A compilation of the most recent two years of records shall be kept on site and shall be made available to DEQ representatives upon request.

Reporting Requirements

2.9 Plywood and Composite Wood Products NESHAP Initial Applicability Reporting Requirement

The permittee shall submit initial notification of applicability to 40 CFR 63—Subpart DDDD to DEQ and EPA Region 10 in accordance with the following:

40 CFR 63—Subpart DDDD Initial Notification

§ 63.9(b) Initial notifications.

2) The owner or operator of an affected source that has an initial startup before the effective date of a relevant standard under this part shall notify the Administrator in writing that the source is subject to the relevant standard. The notification, which shall be submitted not later than 120 calendar days after the effective date of the relevant standard (or within 120 calendar days after the source becomes subject to the relevant standard), shall provide the following information:

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- (i) The name and address of the owner or operator;
- (ii) The address (i.e., physical location) of the affected source;
- (iii) An identification of the relevant standard, or other requirement, that is the basis of the notification and the source's compliance date;
- (iv) A brief description of the nature, size, design, and method of operation of the source and an identification of the types of emission points within the affected source subject to the relevant standard and types of hazardous air pollutants emitted; and
- (v) A statement of whether the affected source is a major source or an area source.

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3. EMISSION RATE LIMITS SUMMARY

Table 3.1 provides the emission rate limits for the sources in this permit.

Table 3.1 EMISSION RATE LIMIT

Emissions Limits ^a –Annual (lb/yr) ^b				
Source Description	Acetaldehyde	Formaldehyde		
Source Description	lb/yr	lb/yr		
Lumber Drying Kilns	2,738	983		

Compliance determined by a pollutant-specific U.S. EPA reference method, DEQ-approved alternative, or as determined by DEQ's emissions estimation methods used in this permit analysis.

Compliance with annual limits determined by multiplying the actual or allowable (if actual is not available) pound-per-hour emission rate by the allowable hours per year that the process(es) may operate(s), or by actual annual production rates.

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4. PERMIT TO CONSTRUCT GENERAL PROVISIONS

- 1. The permittee has a continuing duty to comply with all terms and conditions of this permit. All emissions authorized herein shall be consistent with the terms and conditions of this permit and the Rules for the Control of Air Pollution in Idaho. The emissions of any pollutant in excess of the limitations specified herein, or noncompliance with any other condition or limitation contained in this permit, shall constitute a violation of this permit and the Rules for the Control of Air Pollution in Idaho, and the Environmental Protection and Health Act, Idaho Code §39-101, et seq.
- 2. The permittee shall at all times (except as provided in the Rules for the Control of Air Pollution in Idaho) maintain in good working order and operate as efficiently as practicable, all treatment or control facilities or systems installed or used to achieve compliance with the terms and conditions of this permit and other applicable Idaho laws for the control of air pollution.
- 3. The permittee shall allow the Director, and/or the authorized representative(s), upon the presentation of credentials:
 - To enter, at reasonable times, upon the premises where an emissions source is located, or in which any records are required to be kept under the terms and conditions of this permit.
 - At reasonable times, to have access to and copy any records required to be kept under the terms and
 conditions of this permit, to inspect any monitoring methods required in this permit, and require
 stack compliance testing in conformance with IDAPA 58.01.01.157 when deemed appropriate by the
 Director.
- 4. Nothing in this permit is intended to relieve or exempt the permittee from compliance with any applicable federal, state, or local law or regulation, except as specifically provided herein.
- 5. The permittee shall notify DEQ, in writing, of the required information for the following events within 5 working days after occurrence:
 - Initiation of Construction Date
 - Completion/Cessation of Construction Date
 - Actual Production Startup Date
 - Initial Date of Achieving Maximum Production Rate Production Rate and Date
- 6. If performance testing (air emissions source test) is required by this permit, the permittee shall provide notice of intent to test to DEQ at least 15 days prior to the scheduled test date or shorter time period as approved by DEQ. DEQ may, at its option, have an observer present at any emissions tests conducted on a source. DEQ requests that such testing not be performed on weekends or state holidays.

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All performance testing shall be conducted in accordance with the procedures in IDAPA 58.01.01.157. Without prior DEQ approval, any alternative testing is conducted solely at the permittee's risk. If the permittee fails to obtain prior written approval by DEQ for any testing deviations, DEQ may determine that the testing does not satisfy the testing requirements. Therefore, at least 30 days prior to conducting any performance test, the permittee is encouraged to submit a performance test protocol to DEQ for approval. The written protocol shall include a description of the test method(s) to be used, an explanation of any or unusual circumstances regarding the proposed test, and the proposed test schedule for conducting and reporting the test.

Within 30 days following the date in which a performance test required by this permit is concluded, the permittee shall submit to DEQ a performance test report. The written report shall include a description of the process, identification of the test method(s) used, equipment used, all process operating data collected during the test period, and test results, as well as raw test data and associated documentation, including any approved test protocol.

- 7. The provisions of this permit are severable, and if any provision of this permit to any circumstance is held invalid, the application of such provision to other circumstances, and the remainder of this permit, shall not be affected thereby.
- 8. In accordance with IDAPA 58.01.01.123, all documents submitted to DEQ, including, but not limited to, records, monitoring data, supporting information, requests for confidential treatment, testing reports, or compliance certification shall contain a certification by a responsible official. The certification shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the document(s) are true, accurate, and complete.